

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In The Matter Of)	
)	
PUBLIC UTILITIES COMMISSION)	DOCKET NO. 03-0371
)	
Instituting a Proceeding to Investigate)	
Distributed Generation in Hawaii)	
)	

MOTION TO INTERVENE

and

CERTIFICATE OF SERVICE

Steven P. Golden
Director, External Affairs & Planning
The Gas Company, LLC
841 Bishop Street, Suite 1700
Honolulu, HI 96813
Telephone: (808) 535-5913

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In The Matter Of)	
)	
PUBLIC UTILITIES COMMISSION)	DOCKET NO. 03-0371
)	
Instituting a Proceeding to Investigate)	
Distributed Generation in Hawaii)	
)	
<hr style="width:50%; margin-left:0"/>		

MOTION TO INTERVENE

The Gas Company, LLC (“TGC”) respectfully moves the Commission to be made a party in the above-captioned proceeding, pursuant to Subchapter 4 of the Commission’s Rules of Practice and Procedure, Chapter 61, Title 6 of the Hawaii Administrative Rules (“Commission’s Rules of Practice and Procedure”).

TGC is a limited liability company duly organized under the laws of the State of Hawaii. TGC is engaged in the manufacturing, distribution and sale of gas to approximately 66,400 customers in the State of Hawaii. TGC consists of a duly franchised public utility operation, which is regulated by the Commission and provides utility gas service throughout most of the State of Hawaii, and a non-utility operation, which generally sells and distributes bottled liquefied propane gas to residential, commercial and industrial customers.

This generic proceeding was instituted by the Public Utilities Commission to “examine the potential benefits and impacts of distributed generation on Hawaii’s electric distribution systems and market. ... The objective is to develop policies and a framework for distributed generation projects deployed in Hawaii.”

1. The facts and reasons supporting TGC's request for intervention are as follows:

a. The Nature Of The Movant's Statutory Or Other Right To Participate In The Hearing

As a Hawaii limited liability company, TGC is a "person" as defined by Rule 6-61-2 of the Commission's Rules of Practice and Procedure, and therefore it has the statutory right to request Commission approval to intervene and be made a party pursuant to Rule 6-61-55 of the Commission's Rules of Practice and Procedure.

In addition, in its Order No. 20582 instituting this proceeding, the Commission expressly invited all "interested energy service providers and other business, environmental, cultural and community groups to participate in this docket as intervenors or participants..." TGC is an interested energy service provider.

b. The Nature And Extent of The Movant's Property, Financial, And Other Interest In The Pending Matter

In instituting this investigation, the Commission stated that it was "interested in both the substance and the process in the deployment of distributed generation and the requisite roles and responsibilities of all players, including providers, consumers, regulators, and the society in general." TGC is a fuel supplier to certain forms of distributed generation, including emergency back up generators and various engines used to generate electricity and heat. TGC is also a regulated gas utility whose product may be displaced by various forms of distributed generation, including the therms produced in conjunction with the deployment of distributed electric generation in the form of combined heat and power (CHP). Accordingly, TGC has important business and financial interests in the outcome of this proceeding. In addition, TGC has an interest in intervening to help develop the policies and framework for distributed generation that will be decided as a result of this investigation.

c. The Effect Of The Pending Order As To The Movant's Interest

The issues to be addressed in this docket cover various important aspects of distributed generation, including, but not limited to, ownership of distributed generation projects, the role of the Commission, rate design, cost allocation, and integrated resource planning. Accordingly, the pending order will likely have a direct impact on TGC's utility interests and its service to existing and potential future customers.

d. The Other Means Available Whereby The Movant's Interest May Be Protected

TGC is aware of, and has filed a Motion to Intervene, in Docket No. 03-0366¹, which concerns approval of a specific CHP Program and Schedule CHP for the Hawaiian Electric utility companies. To the extent that the fundamental issues underlying the proposed CHP Program, i.e., ownership of and the competitive or regulated status of distributed generation resources (including CHP), are not covered by Docket No. 03-0366, no other means are available whereby TGC can protect its interests in the establishment of new policies that will address its role as a fuel supplier and as gas utility to which distributed generation may present competitive challenges.

e. The Extent To Which The Movant's Interest Will Not Be Represented By Existing Parties

TGC's interests in this docket will not be adequately represented by existing parties. TGC, which provides regulated and unregulated thermal energy services, has interests that are different from those of the general public or other parties. There are no other regulated

¹ For Approval of a CHP Program, Schedule CHP – Customer-Sited Utility-Owned Cogeneration Service, Inclusion of Related Fuel Costs in the Energy Cost Adjustment Clause, and a Modification to the Energy Cost Adjustment Clause and Schedule Q, filed on October 10, 2003 by Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc., Maui Electric Company, Limited

gas service providers in Hawaii. TGC is the only party that can adequately speak for its business interests.

f. The Extent To Which The Movant's Participation Can Assist In The Development Of A Sound Record

TGC's participation in this proceeding can assist in the development of a sound record. TGC has experience in regulatory law and procedure, utility and non-utility cost allocation and rate design principles, and has participated in many Commission proceedings.

g. The Extent To Which The Movant's Participation Will Broaden The Issues Or Delay The Proceeding

TGC's participation in this proceeding will not broaden the issues or delay the proceeding. TGC's interests are directly related to the present scope of this docket.

h. The Extent To Which The Movants' Interest In The Proceeding Differs From That Of The General Public

TGC's interests in this docket differ from that of the general public because TGC is the only franchised gas manufacturer and retail seller of gas service in Hawaii, as well as the only utility company with a non-utility business. Distributed generation presents both a major possibility for load growth for TGC's gas, and a major threat to its sales. As a result, TGC's interests are different from those of the general public.

i. Whether The Movant's Position Is In Support Of Or In Opposition To The Relief Sought

TGC strongly supports the Commission's initiative to address the generic distributed generation issues as set forth in the Commission's Order.

2. Correspondence and communications in regard to this proceeding should be addressed to:

Steven P. Golden
Director, External Affairs & Planning
The Gas Company
841 Bishop Street, Suite 1700
Honolulu, HI 96813

With copy to:

George T. Aoki, Esq.
The Gas Company
841 Bishop Street, Suite 1700
Honolulu, HI 96813

3. No hearing is requested on this Motion.

WHEREFORE, TGC respectfully move this Commission to grant TGC's Motion to Intervene and to make it a party in this docket.

Dated: Honolulu, Hawaii, November 10, 2003.

THE GAS COMPANY, LLC

By _____
Steven P. Golden
Director, External Affairs & Planning

CERTIFICATE OF SERVICE

I hereby certify that I have this day served copies of the foregoing Motion to Intervene, together with this Certificate of Service, by hand delivery or U.S. mail, postage prepaid, and properly addressed to:

Division of Consumer Advocacy
Department of Commerce and Consumer Affairs
250 South King St., 8th Floor
Honolulu, HI 96813

2 COPIES

William A. Bonnet
Vice President, Government and Community Affairs
Hawaiian Electric Company, Inc.
P.O. Box 2750
Honolulu, HI 96840

2 COPIES

Joseph McCawley
Manager, Regulatory Affairs
Kauai Island Utility Cooperative
4463 Pahe'e St.
Lihue, HI 96766

2 COPIES

Dated: Honolulu, Hawaii, November 10, 2003.

THE GAS COMPANY, LLC

Gail S. Gilman